

**Monthly Operating Report**  
**ACCRUAL BASIS**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054
<b>JUDGE:</b>	Stacey Jernigan

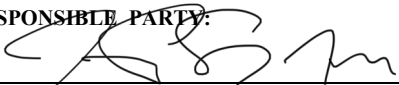
**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN & EASTERN DISTRICTS OF TEXAS**  
**REGION 6**

**MONTHLY OPERATING REPORT**

**MONTH ENDING:** September 2020  
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

**RESPONSIBLE PARTY:**

  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

Chief Restructuring Officer/ Chief Executive Officer  
TITLE

James Seery  
PRINTED NAME OF RESPONSIBLE PARTY

\_\_\_\_\_  
DATE

**PREPARER:**

  
ORIGINAL SIGNATURE OF PREPARER

Chief Financial Officer  
TITLE

Frank Waterhouse  
PRINTED NAME OF PREPARER

\_\_\_\_\_  
DATE

**EXHIBIT**  
**SE30**

**Monthly Operating Report**  
**ACCRUAL BASIS-1**

<b>CASE NAME:</b>	Highland Capital Management, LP
<b>CASE NUMBER:</b>	19-12239-CSS

**Comparative Balance Sheet**  
(in thousands)

	<u>10/15/2019</u>	<u>12/31/2019 <sup>(6)</sup></u>	<u>9/30/2020 <sup>(6)</sup></u>
<b>Assets</b>			
Cash and cash equivalents	2,529	9,501	5,888
Investments, at fair value <sup>(3)</sup>	232,620	232,820	109,479
Equity method investees <sup>(3)</sup>	161,819	183,529	101,213
Management and incentive fee receivable	2,579	1,929	3,350
Fixed assets, net	3,754	3,521	2,823
Due from affiliates <sup>(1)</sup>	151,901	146,276	152,585
Reserve against notes receivable		(57,963)	(59,140)
Other assets	11,311	11,463	12,105
<b>Total assets</b>	<u><b>\$ 566,513</b></u>	<u><b>\$ 531,076</b></u>	<u><b>\$ 328,302</b></u>
<b>Liabilities and Partners' Capital</b>			
Pre-petition accounts payable <sup>(4)</sup>	1,176	1,141	1,051
Post-petition accounts payable <sup>(4)</sup>	-	2,042	583
Secured debt:			
Frontier	5,195	5,195	5,195
Jefferies	30,328	30,020	-
Accrued expenses and other liabilities <sup>(4)</sup>	59,203	63,275	58,733
Accrued re-organization related fees <sup>(5)</sup>	-	5,547	5,922
Claim accrual <sup>(2)</sup>	73,997	73,997	73,997
Partners' capital	396,614	349,857	182,821
<b>Total liabilities and partners' capital</b>	<u><b>\$ 566,513</b></u>	<u><b>\$ 531,076</b></u>	<u><b>\$ 328,302</b></u>

<sup>(1)</sup> Includes various notes receivable at carrying value, except note due from Hunter Mountain Investment Trust which is fully reserved against (\$59M reserve). Fair value has not been determined with respect to any of the notes.

<sup>(2)</sup> Uncontested portion of Redeemer claim less applicable offsets. Potential for additional liability based on future events. No interest has been accrued beyond petition date. No additional accruals will be made on settlement claims until further approval by the court.

<sup>(3)</sup> Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

<sup>(4)</sup> Note on accruals: expenses recorded in Accounts Payable and Accrued Expenses and Other Liabilities reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices. For balance sheet dates other than the Petition Date, amounts include both pre-petition and post-petition liabilities.

<sup>(5)</sup> Beginning December 31st, 2019, Debtor accrued for post-petition re-organization fees based upon an estimate of fees incurred to date.

<sup>(6)</sup> All balances at December 31st, 2019 are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, balances for subsequent months have and will fluctuate.

# Monthly Operating Report

## ACCRUAL BASIS-2

CASE NAME:	Highland Capital Management, LP
CASE NUMBER:	19-12239-CSS

### Income Statement<sup>1</sup>

(in thousands)

	Date	Filing to Year Ended <sup>(4)</sup>	Month ended <sup>(4)</sup>	Filing to date <sup>(4)</sup>
	10/16/19 - 10/31/19	2019	9/30/2020	
<b>Revenue:</b>				
Management fees	975	4,528	1,495	18,993
Shared services fees	283	1,588	645	7,248
Other income	99	1,582	401	5,058
<b>Total operating revenue</b>	<b>1,357</b>	<b>7,697</b>	<b>2,541</b>	<b>31,299</b>
<b>Operating expenses:</b>				
Compensation and benefits	997	1,498	1,668	15,778
Professional services	256	64	190	2,167
Investment research and consulting	10	266	241	960
Marketing and advertising expense	-	370	36	521
Depreciation expense	82	244	76	940
Bad debt expense reserve	-	8,410	124	9,586
Other operating expenses	201	1,265	463	4,665
<b>Total operating expenses</b>	<b>1,545</b>	<b>12,118</b>	<b>2,799</b>	<b>34,617</b>
<b>Operating income/(loss)</b>	<b>(188)</b>	<b>(4,421)</b>	<b>(258)</b>	<b>(3,318)</b>
<b>Other income/expense:</b>				
Interest income	250	1,230	488	5,616
Interest expense	(107)	(286)	(21)	(675)
Reserve against notes receivable	-	(57,963)	-	(57,963)
Re-org related expenses <sup>(2)</sup>	-	(5,547)	(3,816)	(28,800)
Independent director fees	-	-	(30)	(1,977)
Other income/expense	32	32	(6)	(144)
<b>Total other income/expense</b>	<b>175</b>	<b>(62,534)</b>	<b>(3,386)</b>	<b>(83,943)</b>
Net realized gains/(losses) on investments	339	618	1,133	(27,738)
Net change in unrealized gains/(losses) of investments <sup>(3)</sup>	2,654	(955)	1,480	(36,847)
	<b>2,993</b>	<b>(337)</b>	<b>2,613</b>	<b>(64,585)</b>
<b>Net earnings/(losses) from equity method investees <sup>(3)</sup></b>	<b>(20)</b>	<b>14,918</b>	<b>337</b>	<b>(67,564)</b>
<b>Net income/(loss)</b>	<b>\$ 2,959</b>	<b>\$ (52,374)</b>	<b>\$ (694)</b>	<b>\$ (219,410)</b>

(1) Note on accruals: expenses recorded in the Income Statement reflect invoices recorded through accounts payable, legal invoice accruals, and normal course operating accruals, but do not reflect estimates for other incurred, but not yet received invoices.

(2) Debtor funded various retainers totaling \$790k prior to the petition date, which were entirely expensed as of the petition date.

(3) Mark to market gains/(losses) on investments include pricing updates for publicly traded securities and other positions with readily available market price information. Certain limited partnership interests normally marked to a NAV statement have not been updated as of period end as statements are generally available on a one-month lag.

(4) All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process. As a result, operating results will change as these entries are made.

**Monthly Operating Report    Monthly Operating Report**  
**ACCRUAL BASIS-3A                      ACCRUAL BASIS-3A**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

	FILING TO YEAR END 2019	QUARTER 1	QUARTER 2	SEPTEMBER	QUARTER 3
<b>CASH RECEIPTS AND DISBURSEMENTS</b>					
1. CASH - BEGINNING OF MONTH	\$ 2,554,230	\$ 9,501,409	\$ 12,532,467	\$ 10,025,528	\$ 14,993,872
<b>RECEIPTS FROM OPERATIONS</b>					
2. OTHER OPERATING RECEIPTS	\$ 1,862,757	\$ 1,379,338	\$ 2,983,221	\$ 716,191	\$ 2,259,736
3. MANAGEMENT FEES AND OTHER RELATED RECEIPTS	\$ 3,156,742	\$ 7,555,297	\$ 6,179,437	\$ 1,515,102	\$ 5,575,680
<b>COLLECTION OF ACCOUNTS RECEIVABLE</b>					
4. PREPETITION	\$ 3,593,108	\$ 76,569	\$ 3,727	\$ -	\$ -
5. POSTPETITION <sup>1</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
6. TOTAL OPERATING RECEIPTS	\$ 8,612,608	\$ 9,011,204	\$ 9,166,385	\$ 2,231,293	\$ 7,835,415
<b>NON-OPERATING RECEIPTS</b>					
THIRD PARTY FUND ACTUAL/EXPECTED DISTRIBUTIONS					
7	\$ 423,468	\$ 18,992,786	\$ 797,571	\$ 389,357	\$ 610,254
8. DIVS, PAYDOWNS, MISC FROM INVESTMENT ASSETS	\$ 1,338,069	\$ 477,479	\$ 74,376	\$ 1,769	\$ 5,311
9. OTHER (ATTACH LIST)	\$ 3,390,286	\$ 1,407,103	\$ 10,010,000	\$ 67,099	\$ 8,817,099
10. TOTAL NON-OPERATING RECEIPTS	\$ 5,151,822	\$ 20,877,369	\$ 10,881,947	\$ 458,225	\$ 9,432,664
11. TOTAL RECEIPTS	\$ 13,764,430	\$ 29,888,573	\$ 20,048,331	\$ 2,689,517	\$ 17,268,080
12. TOTAL CASH AVAILABLE				\$ 12,715,045	\$ 32,261,951
<b>OPERATING DISBURSEMENTS</b>					
13. PAYROLL, BENEFITS, AND TAXES + EXP REIMB	\$ 3,776,446	\$ 8,825,042	\$ 4,886,314	\$ 1,428,122	\$ 8,806,880
14. SINGAPORE SERVICE FEES	\$ 95,118	\$ 58,129	\$ 2,965	\$ -	\$ -
15. HCM LATIN AMERICA	\$ 200,000	\$ 100,000	\$ -	\$ -	\$ -
16. THIRD PARTY FUND CAPITAL CALL OBLIGATION	\$ 1,426,987	\$ 7,812,469	\$ 3,087,163	\$ -	\$ 979,631
17. UTILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
18. INSURANCE	\$ -	\$ 533,940	\$ 376,376	\$ -	\$ 163,400
19. INVENTORY PURCHASES	\$ -	\$ -	\$ -	\$ -	\$ -
20. VEHICLE EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
21. TRAVEL	\$ -	\$ -	\$ -	\$ -	\$ -
22. ENTERTAINMENT	\$ -	\$ -	\$ -	\$ -	\$ -
23. REPAIRS & MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -
24. SUPPLIES	\$ -	\$ -	\$ -	\$ -	\$ -
25. ADVERTISING	\$ -	\$ -	\$ -	\$ -	\$ -
26. OTHER (ATTACH LIST)	\$ 1,318,700	\$ 3,283,898	\$ 3,195,054	\$ 1,286,630	\$ 3,633,331
27. TOTAL OPERATING DISBURSEMENTS	\$ 6,817,251	\$ 20,613,478	\$ 11,547,870	\$ 2,714,752	\$ 13,583,243
<b>REORGANIZATION EXPENSES</b>					
28. PROFESSIONAL FEES	\$ -	\$ 5,460,546	\$ 5,572,032	\$ 3,902,480	\$ 11,551,682
29. U.S. TRUSTEE FEES	\$ -	\$ 68,173	\$ 167,025	\$ -	\$ 277,924
30. OTHER (ATTACH LIST)	\$ -	\$ 715,317	\$ 300,000	\$ 210,000	\$ 961,289
31. TOTAL REORGANIZATION EXPENSES	\$ -	\$ 6,244,037	\$ 6,039,057	\$ 4,112,480	\$ 12,790,896
32. TOTAL DISBURSEMENTS	\$ 6,817,251	\$ 26,857,515	\$ 17,586,927	\$ 6,827,232	\$ 26,374,138
33. NET CASH FLOW	\$ 6,947,179	\$ 3,031,058	\$ 2,461,404	\$ (4,137,715)	\$ (9,106,059)
34. CASH - END OF MONTH	\$ 9,501,409	\$ 12,532,467	\$ 14,993,872	\$ 5,887,813	\$ 5,887,813

<sup>1</sup> All postpetition receipts are included in line 3, Management Fees and Other Related Receipts.

**Monthly Operating Report**  
ACCRUAL BASIS-3B

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

**OPERATING RECEIPTS - OTHER**

Date	Amount	Type
	67,098.85	Nexpoint Real Estate Strategies Fund redemption

**OPERATING DISBURSMENTS - INVESTMENT**

Date	Amount	Type
	383,041.29	Carey term-loan purchase

**OPERATING DISBURSMENTS - OTHER**

Date	Amount	Vendor
9/1/2020	18,412.07	Ace Parking Management Inc.
9/1/2020	2,257.01	Bloonsberg Finance LP
9/1/2020	3,009.00	Brighthouse Life Insurance Company
9/1/2020	10,611.00	Brighthouse Life Insurance Company
9/1/2020	1,889.22	Canteen Vending Services
9/1/2020	145.20	Chase Couriers, Inc
9/1/2020	950.00	Crescent Research
9/1/2020	144,048.21	Crescent TC Investors LP
9/1/2020	2,067.50	CT Corporation System
9/1/2020	37,583.75	Third Party Consultant
9/1/2020	1,548.97	GRUBHUB for Work
9/1/2020	47,654.00	Houlihan Lokey
9/1/2020	7,617.26	ICE Data Pricing & Reference Data, LLC
9/1/2020	9,500.00	Ipreo Data Inc.
9/1/2020	89.24	Iron Mountain Records Management
9/1/2020	495.86	Jordan Fraker Photography
9/1/2020	3,392.01	NYSE MARKET, INC
9/1/2020	3,051.14	Oak Cliff Office Products
9/1/2020	1,625.00	Paessler
9/1/2020	441.34	ProStar Services, Inc
9/1/2020	107.15	UPS Supply Chain Solutions
9/9/2020	5,884.76	ABM
9/9/2020	432.00	Ace Parking Management Inc.
9/9/2020	600.00	Action Shred of Texas
9/9/2020	1,492.38	Canteen Vending Services
9/9/2020	510.61	CDW Direct
9/9/2020	11,131.97	CT Corporation System
9/9/2020	1,617.81	GRUBHUB for Work
9/9/2020	47,470.00	Houlihan Lokey
9/9/2020	35,200.00	Intex Solutions, Inc.
9/9/2020	2,668.57	Iron Mountain Records Management
9/9/2020	7,500.00	MacroMavens, LLC
9/9/2020	1,570.00	MICRO-TEL
9/9/2020	507.47	ProStar Services, Inc
9/9/2020	16,355.06	S&P Global Market Intelligence
9/9/2020	151,448.26	Siepe Services, LLC
9/9/2020	18,042.03	Siepe Software, LLC
9/9/2020	535.34	Standard Insurance Company
9/9/2020	6,369.17	TW Telecom Holdings, llc
9/9/2020	6,866.42	Willis of Texas, Inc.
9/11/2020	263.81	Directv, LLC
9/11/2020	1,000.00	Pitney Bowes- Purchase Power
9/11/2020	4,335.10	Third Party Consultant
9/14/2020	500.00	Pitney Bowes
9/17/2020	2,082.70	Zayo Group, LLC
9/18/2020	253.94	Arkadin, Inc.
9/18/2020	4,192.71	Third Party Consultant
9/18/2020	2,955.06	AT&T
9/18/2020	137.50	AT&T
9/18/2020	768.58	Audio Visual Innovations, Inc.
9/18/2020	8,140.16	Bloomberg Finance LP
9/18/2020	1,636.20	Canteen Vending Services
9/18/2020	21,863.25	CDW Direct
9/18/2020	700.00	Centroid
9/18/2020	4,059.81	Concur Technologies, Inc.
9/18/2020	369.00	CT Corporation System
9/18/2020	3,031.00	Daltex Janitorial Services, LLC
9/18/2020	859.36	DTCC ITP LLC
9/18/2020	11,887.73	Flexential Colorado Corp.
9/18/2020	2,162.11	Grubhub for Work
9/18/2020	3,762.48	ICE Data Pricing & Reference Data, LLC
9/18/2020	112.21	Iron Mountain Records Management
9/18/2020	3,766.00	MacroView Business Technology
9/18/2020	2,128.81	NYSE Market, Inc
9/18/2020	548.83	Pitney Bowes Financial Services
9/18/2020	6,757.16	Proofpoint
9/18/2020	2,466.10	Thomson West
9/18/2020	301.48	UPS Supply Chain Solutions
9/18/2020	259.80	Venture Mechanical, Inc.
9/18/2020	273.47	Verity Group
9/18/2020	416.57	Analysis Charge
9/18/2020	23.00	Chase Couriers
9/25/2020	16,750.65	Ace Parking Management Inc.
9/25/2020	1,740.82	AT&T
9/25/2020	763.22	AT&T
9/25/2020	7,147.16	AT&T
9/25/2020	1,431.77	Canteen Vending Services
9/25/2020	2,491.11	CDW Direct
9/25/2020	15,000.00	Centroid
9/25/2020	58.62	Chase Couriers
9/25/2020	320.70	CT Corporation System
9/25/2020	7,752.34	Fitch Solutions, Inc.
9/25/2020	484.96	Four Seasons Landscaping, LLC
9/25/2020	1,480.74	Grubhub for Work
9/25/2020	4,840.01	Liberty Life Assurance Company of Boston - Group Benefits
9/25/2020	562.50	Maples & Calder
9/25/2020	124,634.61	Siepe Services, LLC
9/28/2020	1,412.83	Southland Property Tax Consultants, Inc
9/29/2020	980.96	Xerox Corporation
9/30/2020	11,000.00	Third Party Consultant
9/30/2020	25.00	Bank fees returned Foley Wire
	903,589	

**REORGANIZATION EXPENSES - OTHER**

Date	Amount	Description
9/1/2020	30,000	Dubel & Associates, L.L.C.
9/1/2020	150,000	J.P. Seery & Co. LLC
9/1/2020	30,000	Nelms and Associates
	210,000	

**Monthly Operating Report**  
**ACCRUAL BASIS-4**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

MGMT FEE RECEIVABLE AGING <sup>2</sup>		June <sup>3</sup>	July <sup>3</sup>	August <sup>3</sup>	September <sup>3</sup>
1.	0-30	\$ 1,813,292	\$2,428,715	\$1,768,818	\$2,577,696
2.	31-60	\$1,163,000	\$1,285,718	\$772,384	
3.	61-90				\$772,384
4.	91+				
5.	TOTAL MGMT FEE RECEIVABLE	\$ 2,976,292	\$ 3,714,432	\$ 2,541,202	\$3,350,080
6.	AMOUNT CONSIDERED UNCOLLECTIBLE				
7.	MGMT FEE RECEIVABLE (NET)	\$ 2,976,292	\$ 3,714,432	\$ 2,541,202	\$3,350,080

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: September 2020		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE	\$418,457	\$16,057	\$0	\$320,995	\$755,509

STATUS OF POSTPETITION TAXES <sup>1</sup>		MONTH: September 2020		
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
<b>FEDERAL</b>				
1. WITHHOLDING				\$0
2. FICA-EMPLOYEE				\$0
3. FICA-EMPLOYER				\$0
4. UNEMPLOYMENT				\$0
5. INCOME				\$0
6. OTHER (ATTACH LIST)				\$0
7. TOTAL FEDERAL TAXES	\$0	\$0	\$0	\$0
<b>STATE AND LOCAL</b>				
8. WITHHOLDING				\$0
9. SALES				\$0
10. EXCISE				\$0
11. UNEMPLOYMENT				\$0
12. REAL PROPERTY	\$0	\$0	\$0	\$0
13. PERSONAL PROPERTY				\$0
14. OTHER (ATTACH LIST)				\$0
15. TOTAL STATE & LOCAL	\$0	\$0	\$0	\$0
16. TOTAL TAXES	\$0	\$0	\$0	\$0

- 1 The Debtor funds all state and federal employment taxes to Paylocity, who files all required federal and state related employment reports and withholdings.
- 2 Aging based on when management fee is due and payable.
- 3 All balances are preliminary, unaudited, and subject to further year-end closing entries pursuant to the normal year-end closing process.

**Monthly Operating Report**  
 ACCRUAL BASIS-5

CASE NAME:	Highland Capital Management
CASE NUMBER:	19-34054

MONTH: September 2020

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	Account #4	Account #5	Account #6	
A. BANK:	East West Bank	East West Bank	Maxim Group	Jefferies LLC	Nexbank	East West Bank	
B. ACCOUNT NUMBER:	x4686	x4693	x1885	x0932	x5891	x5848	TOTAL
C. PURPOSE (TYPE):	Operating	Insurance	Brokerage	Brokerage	CD	Prepaid Card	
1. BALANCE PER BANK STATEMENT <sup>1</sup>	\$ 5,617,167	\$ 32,373	\$ 30	\$ -	\$ 138,190	\$ 100,052	\$ 5,887,812
2. ADD: TOTAL DEPOSITS NOT CREDITED							\$ -
3. SUBTRACT: OUTSTANDING CHECKS							\$ -
4. OTHER RECONCILING ITEMS							\$ -
5. MONTH END BALANCE PER BOOKS	\$ 5,617,167	\$ 32,373	\$ 30	\$ -	\$ 138,190	\$ 100,052	\$ 5,887,812
6. NUMBER OF LAST CHECK WRITTEN	100510	n/a	n/a	n/a	n/a	n/a	

INVESTMENT ACCOUNTS	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER				
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH	
12. CURRENCY ON HAND	\$0
13. TOTAL CASH - END OF MONTH	\$5,887,812

1 Account x6342 is now closed.

**Monthly Operating Report**  
**ACCRUAL BASIS-6**

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

MONTH: September 2020

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

<b>INSIDERS</b>				
	NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID POST PETITION
1	Frank Waterhouse	Salary	\$33,333	\$360,417
2	Frank Waterhouse	Expense Reimbursement	\$807	\$5,918
3	Scott Ellington	Salary	\$37,500	\$431,250
4	Scott Ellington	Expense Reimbursement	\$252	\$6,095
5	James Dondero	Salary	\$0	\$129,972
6	James Dondero	Expense Reimbursement <sup>1</sup>	\$0	\$16,918
7	Thomas Surgent	Salary	\$33,333	\$383,333
8	Thomas Surgent	Expense Reimbursement	\$456	\$4,222
9	Trey Parker	Salary	\$0	\$131,250
10	Trey Parker	Expense Reimbursement	\$0	\$6,212
<b>TOTAL PAYMENTS TO INSIDERS</b>			<b>\$105,681</b>	<b>\$1,475,585</b>

<sup>1</sup> The total amount of reimbursements during the reporting month also included \$5,675 for use of the credit card by the Debtor for office related expenses such as subscriptions, vending supplies, and IT equipment/software.

PROFESSIONALS <sup>2</sup>						
NAME		DATE OF MONTHLY FEE APPLICATION	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1.	Kurtzman Carson Consultants LLC		41,966	41,966	532,521	95,605
2.	Sidley Austin LLP		814,318	814,318	5,807,091	1,333,420
3.	Young Conaway Stargatt & Taylor LLP			-	281,156	-
4.	FTI Consulting, Inc.		626,333	626,333	3,607,292	559,823
5.	Pachulski Stang Ziehl & Jones LLP		1,283,329	1,283,329	8,435,219	1,512,143
6	Hayward & Associates PLLC		60,736	60,736	256,412	10,828
7	Development Specialists, Inc.		237,828	237,828	2,351,224	249,129
8	Foley & Lardner LLP		-		464,294	119,516
9	Mercer (US) Inc.		54,328	54,328	170,284	-
10	Wilmer Cutler Pickering Hale and Dorr LLP		618,643	618,643	618,643	
11	Meta-e Discovery LLC		165,000	165,000	165,000	
TOTAL PAYMENTS TO PROFESSIONALS				3,902,480	22,689,136	3,880,463

<sup>2</sup> Does not include payments to ordinary course professionals.

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

	NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.	Crescent TC Investors LP (rent portion only)	130,364	130,364	-
2.				
3.				
4.				
5.				
6.	<b>TOTAL</b>	<b>130,364</b>	<b>\$130,364</b>	<b>\$0</b>



## Monthly Operating Report ACCRUAL BASIS-7

<b>CASE NAME:</b>	Highland Capital Management
<b>CASE NUMBER:</b>	19-34054

**MONTH:** September 2020

### QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		x
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		x
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?	x	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		x
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		x
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		x
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		x
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		x
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		x
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		x
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		x
12. ARE ANY WAGE PAYMENTS PAST DUE?		x

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

3 Debtor generates fee income and other receipts from various related parties in normal course, see cash management motion for further discussion.

### INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	x	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	x	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY